

FOR OFFICIAL USE ONLY

Comments on Talks Held by Dr. Rahman with East German Officials

1. Neues Deutschland of 2 June 1957 reported that the Secretary-General of the Egyptian Planning Committee, Dr. Rahman, was met in Berlin by Kurt Gregor, First Secretary of the GDR Planning Commission and Ernst Scholz, Special Commissioner for the Arab States. Rahman was scheduled to talk with members of the East zone planning commission and officials of the East zone foreign office.

2. Although nothing has been published on the results of the talks, it is conceivable that discussions were held on the potentialities of East German participation in Egyptian industrial projects as well as on the possibilities of increasing trade between the two countries. Since the talks the following agreements have been announced:

a. A contract with East Germany for setting up an electrical network at an estimated cost of about \$800,000. An East German firm also received an order for the construction of five power stations as part of the projected network of power stations in lower Egypt.

b. The 1957 trade protocol which calls for an increase over the 1956 agreement. The announcement also stated that Cairo was to establish a trade mission in East Berlin. It is probable that the agreement calls for increased East German imports of Egyptian cotton.

However, in view of the lack of publicity on these talks, it is entirely possible that no definite agreements were reached. The above agreements are mentioned only as possibilities.

3. There is no information on any talks held by Dr. Rahman with the USSR, nor is there any evidence that the USSR has made any definite offer of financial assistance for the construction of the Aswan Dam.

FOR OFFICIAL USE ONLY